

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chair Jeff Essmann, on April 6, 2017 at 8:00 AM, in Room 152 Capitol

#### **ROLL CALL**

**Members Present:**

Rep. Jeff Essmann, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. Tom Jacobson, Vice Chair (D)  
Rep. Kim Abbott (D)  
Rep. Becky Beard (R)  
Rep. Zach Brown (D)  
Rep. Mary Ann Dunwell (D)  
Rep. Dave Fern (D)  
Rep. Wylie Galt (R)  
Rep. Jim Hamilton (D)  
Rep. Adam Hertz (R)  
Rep. Greg Hertz (R)  
Rep. George G. Kipp III (D)  
Rep. Steve Lavin (R)  
Rep. James O'Hara (R)  
Rep. Alan Redfield (R)  
Rep. Bridget Smith (D)  
Rep. Tom Welch (R)  
Rep. Kerry White (R)

**Members Excused:**

Rep. Ron Ehli (R)

**Members Absent:** None

**Staff Present:** Margot Miltenberger, Committee Secretary  
Megan Moore, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: SB 333, 4/3/2017; SB 359, 4/3/2017  
Executive Action: HJ 2; SB 354

**EXECUTIVE ACTION ON HJ 2**

00:01:01     **Motion:** Rep. Flynn moved that **HJ 2 DO PASS.**

00:01:10     **Motion:** Rep. Redfield moved that **HJ 2 BE AMENDED.**  
**EXHIBIT**(tah72a01)

**Discussion:**

00:01:29     Megan Moore, Legislative Services Division (LSD)

00:04:02     Rep. Redfield

00:05:00     Rep. Jacobson

00:06:07     Rep. G. Hertz

00:07:38     Rep. Abbott

00:08:44     Rep. Jacobson

00:10:48     Rep. Hamilton

00:12:22     Rep. Redfield

00:12:28     Rep. Hamilton

00:13:11     Rep. Beard

00:14:03     Rep. Flynn

00:17:41     Rep. Dunwell

00:19:12     Chair Essmann

00:21:35     **Vote:** Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli voted by proxy.

00:22:46     **Motion:** Rep. Flynn moved that **HJ 2 DO PASS AS AMENDED.**

**Discussion:**

00:22:55     Rep. Jacobson

00:24:16     Rep. White

00:26:03     Rep. Hamilton

00:27:00     Rep. G. Hertz

00:27:24     Rep. Flynn

00:28:32     Rep. Z. Brown

00:30:02     Rep. Flynn

00:30:06     **Vote:** Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli voted by proxy.

**HEARING ON SB 359****Opening Statement by Sponsor:**

00:31:38     Sen. Mark Blasdel (R), SD 4, opened the hearing on SB 359, Providing for property tax incentives for qualified data centers.

**Proponents:**

00:33:56     Mike Green, Self

00:43:03 Commissioner Don Seifert, Gallatin County

[EXHIBIT\(tah72a02\)](#)

00:46:20 Melissa Lewis, Shelby

00:48:15 Geoff Feiss, Montana Telecommunications Association

00:50:35 Mike Hedegaard, Northern Rocky Mountain Economic District

**Opponents:**

00:52:04 Director Mike Kadas, Department of Revenue (DOR)

**Informational Witnesses:** None

**Questions from Committee Members and Responses:**

00:58:49 Rep. Dunwell

01:01:02 Sen. Blasdel

01:01:54 Rep. Fern

01:03:10 Sen. Blasdel

01:03:16 Rep. Fern

01:03:30 Mike Green, Self

01:03:57 Rep. Jacobson

01:04:46 Sen. Blasdel

01:05:33 Rep. G. Hertz

01:05:59 Mike Green, Self

01:06:05 Rep. Hamilton

01:07:23 Director Mike Kadas, DOR

01:08:03 Rep. Z. Brown

01:10:07 Don Seifert, Gallatin County

**Closing by Sponsor:**

01:10:44 Sen. Blasdel

01:11:38 Recessed

01:18:20 Reconvened, with Vice Chair Flynn as chair

**HEARING ON SB 333**

**Opening Statement by Sponsor:**

01:20:47 Sen. Mary Caferro (D), SD 41, opened the hearing on SB 333, Generally revise medical marijuana laws.

**Proponents:**

01:21:15 Kate Cholewa, Montana Cannabis Industry Association (MTCIA)

[EXHIBIT\(tah72a03\)](#)

01:26:44 Katrina Farnum, Self

01:29:53 Ronda Wiggers, Montana Labs

[EXHIBIT\(tah72a04\)](#)

[EXHIBIT\(tah72a05\)](#)

[EXHIBIT\(tah72a06\)](#)

01:32:55 Dan Fuchs, Triangle Public Affairs  
 01:34:23 Andre Umansky, Fidelity Diagnostics Laboratory  
 01:37:43 Scott Johnson, Self  
 01:38:26 Robert Devine, Self  
 01:41:42 Keith Erwin, Fidelity Diagnostics Laboratory  
 01:44:55 Gordon Fagras, Trace Analytics

**EXHIBIT(tah72a07)****Opponents:**

01:48:51 Erica Siate, Self  
 01:50:26 Josh Daniels, Libertarian Party  
 01:53:23 Lance Parks, Self  
 01:56:38 Derek Eiguez, Self  
 01:59:44 Barbara Turner, Self  
 02:02:39 Danielle Muggli, Patient Rights Network  
 02:05:50 Katie Wetch, Patient Rights Network  
 02:08:11 Josh Zuelkey, Self  
 02:09:17 Darla Gowin, Self  
 02:11:17 Heather Reign, Self  
 02:13:47 John Lister, Self  
 02:16:18 Paul Simonich, Self  
 02:18:13 Elizabeth Pincolini, Self  
 02:21:39 Kari Boiter, Patient Rights Network

**Informational Witnesses:**

02:27:02 Gene Walborn, Department of Revenue (DOR)  
 02:27:19 Brad Gremaux, Department of Justice (DOJ)  
 02:28:47 Brian Watson, Department of Public Health and Human Services (DPHHS)

**Questions from Committee Members and Responses:**

02:29:27 Rep. Abbott  
 02:29:51 Kate Cholewa, MTCIA  
 02:33:00 Rep. Dunwell  
 02:34:17 Kate Cholewa, MTCIA  
 02:36:25 Rep. White  
 02:37:52 Sen. Caferro  
 02:40:00 Rep. White  
 02:40:14 Brian Watson, DPHHS  
 02:42:47 Rep. Fern  
 02:43:30 Kate Cholewa, MTCIA  
 02:44:59 Rep. Redfield  
 02:45:53 Kate Cholewa, MTCIA  
 02:47:18 Rep. B. Smith  
 02:47:41 Kate Cholewa, MTCIA  
 02:51:20 Rep. A. Hertz  
 02:52:11 Kari Boiter, Patient Rights Network  
 02:54:10 Rep. Kipp III  
 02:56:08 Brian Watson, DPHHS  
 02:57:24 Rep. Z. Brown  
 02:57:59 Sen. Caferro

02:58:27 Rep. Beard  
02:59:25 Brian Watson, DPHHS  
02:59:51 Rep. Jacobson  
03:00:15 Kate Cholewa, MTCIA  
03:02:14 Rep. Dunwell  
03:03:01 Rep. Lavin  
03:03:42 Brian Watson, DPHHS  
03:04:10 Rep. Hamilton  
03:05:08 Sen. Caferro  
03:09:11 Rep. Essmann  
03:10:17 Danielle Muggli, Patient Rights Network  
03:10:44 Rep. G. Hertz  
03:11:39 Sen. Caferro

**Closing by Sponsor:**

03:13:31 Sen. Caferro

03:21:44 Rep. Redfield  
03:23:10 Rep. Dunwell  
03:23:19 Rep. Hamilton  
03:22:25 Rep. Essmann  
03:22:33 Rep. Jacobson  
03:23:12 Rep. Dunwell  
03:23:23 Rep. Hamilton

03:23:43 Recessed  
03:34:49 Reconvened

**EXECUTIVE ACTION ON SB 354**

03:34:55 **Motion:** Rep. Essmann moved that **SB 354 BE CONCURRED IN.**

**Discussion:**

03:35:05 Rep. White

03:35:33 **Substitute Motion:** Rep. White moved that **SB 354 BE NOT CONCURRED IN.**

**Discussion:**

03:35:44 Rep. Jacobson  
03:37:51 Rep. Dunwell  
03:39:01 Rep. G. Hertz  
03:39:07 Rep. Essmann

03:40:38 **Substitute Motion:** Rep. Abbott made a substitute motion that **SB 354 BE TABLED.** Chair ruled the motion out of order.

**Discussion:**

03:41:17 Rep. Dunwell  
03:41:25 Rep. Essmann

03:41:39 Rep. Dunwell objected to the ruling of the chair.

03:42:36 Rep. Flynn

03:42:45 Megan Moore, LSD

03:47:55 Rep. Essmann

03:48:26 **Vote: COMMITTEE VOTED TO UPHOLD THE RULING OF THE CHAIR.**

Ruling carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli and Rep. Hamilton voted by proxy.

03:49:27 Megan Moore, LSD

03:49:47 **Vote:** Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli and Rep. Hamilton voted by proxy. Rep. Essmann will carry the bill.

**ADJOURNMENT**

Adjournment: 03:51:21

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Margot Miltenberger, Secretary

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Additional Documents:

**EXHIBIT**([tah72aad.pdf](#))